

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2023-24</b>		<b>FY 2024-25</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS		See Below		See Below
CASH FUNDS	See Below	See Below	See Below	See Below
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See Below	See Below	See Below	See Below

**Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.**

LB 732 changes section 13-2612 to allow for applications for assistance under the Convention Center Facility Financing Assistance Act through December 31, 2030. Current statute allows for applications until December 31, 2012.

The Department of Revenue estimates that the extension of application acceptance will result in General Fund revenue loss due to any additional approved projects under the Act. Similarly, Cash Fund expenditures will increase for any new projects. Cash Funds are distributed through the State Treasurer for qualifying projects.

Any new projects for which assistance is distributed will have a direct impact on General Fund Revenue. Due to the speculative nature of future applications and approvals, that amount cannot be determined. The General Fund revenue reduction, and the offsetting Cash Fund revenue and expenditure amounts will be determined by several factors, such as:

- A project's approval for assistance;
- Location of the facility as it relates to the qualified surrounding area and sales tax collections for that area; and,
- Project timing

Project timing will directly impact the fiscal year in which the General Fund realizes an associated reduction. If an application for project coverage is submitted and approved, the facility must still be constructed. If one assumes (for example) that the approval and construction timeline is 3 years, the General Fund impact will not occur in the immediate future. Costs will be deferred until approved projects qualify for assistance under the Convention Center Facility Financing Assistance Act.

The fiscal impact cannot be determined at this time since the number and scope of new projects is unknown.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>		
LB: 732	AM:	AGENCY/POLT. SUB: Department of Revenue
REVIEWED BY: Neil Sullivan	DATE: 2/7/2023	PHONE: (402) 471-4179
COMMENTS: No basis to disagree with the Department of Revenue assessment of indeterminate impact from LB 732.		

**State Agency Estimate**

State Agency Name: Department of Revenue	Date Prepared: 02/06/2023		Date Due LFO:
Approved by: Glen White			Phone: 471-5896
	<b><u>FY 2023-2024</u></b>	<b><u>FY 2024-2025</u></b>	<b><u>FY 2025-2026</u></b>
	<u>Expenditures</u>	<u>Revenue</u>	<u>Expenditures</u> <u>Revenue</u>
General Funds		See below	
Cash Funds	See below		See below
Federal Funds			
Other Funds			
Total Funds	See below	See below	See below

LB 732 amends the Convention Center Facility Financing Assistance Act to extend the time to file an application under the Act from December 31, 2012, to December 31, 2030.

The revenue impact of LB 732 on the General Fund and Cash Funds are unknown and contingent upon future qualifying projects. Depending on the location of these projects and the nearby businesses, there is potential for a significant reduction in state sales tax revenue. For comparison purposes, \$15.4 million is forecast to be transferred during fiscal year 2022-2023 under the terms of the Sports Arena Facility Financing Assistance Act and the Convention Center Facility Financing Assistance Act for four current projects.

It is estimated that there will be no cost to the Department to implement this bill.

**Major Objects of Expenditure**

<u>Class Code</u>	<u>Classification Title</u>	<u>23-24 FTE</u>	<u>24-25 FTE</u>	<u>25-26 FTE</u>	<u>23-24 Expenditures</u>	<u>24-25 Expenditures</u>	<u>25-26 Expenditures</u>
Benefits.....							
Operating Costs.....							
Travel.....							
Capital Outlay.....							
Capital Improvements.....							
<b>Total.....</b>							